# **SENATE BILL 542**

# By: Senators Lee, Edwards, Feldman, Guzzone, Montgomery, <del>and Ramirez</del> <u>Ramirez, Middleton, Astle, Benson, Hershey, Jennings, Kelley, Klausmeier,</u> <u>Mathias, Pugh, and Reilly</u>

Introduced and read first time: February 6, 2015 Assigned to: Finance

Committee Report: Favorable with amendments Senate action: Adopted Read second time: March 19, 2015

# CHAPTER \_\_\_\_\_

### 1 AN ACT concerning

P1

 $\mathbf{2}$ 

## Maryland Cybersecurity Council – Establishment

3 FOR the purpose of establishing the Maryland Cybersecurity Council; providing for the 4 composition, chair, and staffing of the Council; prohibiting a member of the Council  $\mathbf{5}$ from receiving certain compensation, but authorizing the reimbursement of certain expenses; requiring the Council to work with certain entities to take certain actions 6 7 related to cybersecurity; requiring the Council, beginning on a certain date and every 8 certain number of years thereafter, to submit a report on its activities to the General 9 Assembly; defining certain terms; requiring the Council to submit a report on its 10 initial activities on or before a certain date; and generally relating to the Maryland 11 Cybersecurity Council.

- 12 BY adding to
- 13 Article State Government
- Section 9–2901 to be under the new subtitle "Subtitle 29. Maryland Cybersecurity
  Council"
- 16 Annotated Code of Maryland
- 17 (2014 Replacement Volume)
- 18 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
  19 That the Laws of Maryland read as follows:
- 20

#### Article – State Government

#### EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

Strike out indicates matter stricken from the bill by amendment or deleted from the law by amendment.



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1	SUBTITLE 29. MARYLAND CYBERSECURITY COUNCIL.
2	9–2901.
3 4	(A) (1) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.
5	(2) "COUNCIL" MEANS THE MARYLAND CYBERSECURITY COUNCIL.
$6\\7$	(3) "EXECUTIVE ORDER" MEANS EXECUTIVE ORDER 13636 OF THE PRESIDENT OF THE UNITED STATES.
8	(B) THERE IS A MARYLAND CYBERSECURITY COUNCIL.
9	(C) THE COUNCIL CONSISTS OF THE FOLLOWING MEMBERS:
10 11	(1) THE ATTORNEY GENERAL, OR THE ATTORNEY GENERAL'S DESIGNEE;
12 13	(2) THE SECRETARY OF INFORMATION TECHNOLOGY, OR THE SECRETARY'S DESIGNEE;
$\begin{array}{c} 14 \\ 15 \end{array}$	(3) THE SECRETARY OF STATE POLICE, OR THE SECRETARY'S DESIGNEE;
$\begin{array}{c} 16 \\ 17 \end{array}$	(4) <u>THE SECRETARY OF BUSINESS AND ECONOMIC DEVELOPMENT,</u> <u>OR THE SECRETARY'S DESIGNEE;</u>
18 19	(5) THE DIRECTOR OF THE MARYLAND COORDINATION AND ANALYSIS CENTER, OR THE DIRECTOR'S DESIGNEE;
$\begin{array}{c} 20\\ 21 \end{array}$	(5) (6) THE EXECUTIVE DIRECTOR OF THE MARYLAND Emergency Management Agency, or the Executive Director's designee;
$22 \\ 23 \\ 24$	(6) (7) THE EXECUTIVE DIRECTOR OF THE MARYLAND TECHNOLOGY DEVELOPMENT CORPORATION, OR THE EXECUTIVE DIRECTOR'S DESIGNEE;
$\frac{25}{26}$	(7) (8) THE CHAIR OF THE TECH COUNCIL OF MARYLAND, OR THE CHAIR'S DESIGNEE;
$\frac{27}{28}$	(8) (9) THE PRESIDENT OF THE FORT MEADE ALLIANCE, OR THE PRESIDENT'S DESIGNEE;

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(10) THE PRESIDENT OF THE ARMY ALLIANCE, OR THE PRESIDENT'S 1  $\mathbf{2}$ **DESIGNEE**; AND 3 <del>(9)</del> <u>(11)</u> THE FOLLOWING MEMBERS APPOINTED BY THE ATTORNEY 4 **GENERAL:**  $\mathbf{5}$ **(I)** FIVE REPRESENTATIVES OF CYBERSECURITY COMPANIES LOCATED IN THE STATE, WITH AT LEAST THREE REPRESENTING CYBERSECURITY 6 **COMPANIES WITH 50 OR FEWER EMPLOYEES:** 7 8 (II) FOUR REPRESENTATIVES FROM STATEWIDE OR REGIONAL 9 **BUSINESS ASSOCIATIONS;** 10 (III) SIX UP TO TEN REPRESENTATIVES FROM INSTITUTIONS OF 11 HIGHER EDUCATION LOCATED IN THE STATE; 12(IV) ONE REPRESENTATIVE OF Α CRIME VICTIMS 13 **ORGANIZATION;** 14(V) FOUR REPRESENTATIVES FROM INDUSTRIES THAT MAY BE SUSCEPTIBLE TO ATTACKS ON CYBERSECURITY, INCLUDING AT LEAST ONE 15REPRESENTATIVE OF A BANK, WHETHER OR NOT STATE-CHARTERED, THAT HAS A 16 17BRANCH IN THE STATE; AND 18 (VI) TWO REPRESENTATIVES OF ORGANIZATIONS THAT HAVE 19 EXPERTISE IN ELECTRONIC HEALTH CARE RECORDS; AND 20(VII) ANY OTHER STAKEHOLDER THAT THE ATTORNEY GENERAL 21DETERMINES APPROPRIATE. 22THE PRESIDENT OF THE SENATE MAY APPOINT UP TO TWO MEMBERS **(D)** OF THE SENATE TO SERVE ON THE COUNCIL. 23 24THE SPEAKER OF THE HOUSE OF DELEGATES MAY APPOINT UP TO TWO **(E)** MEMBERS OF THE HOUSE TO SERVE ON COUNCIL. 2526THE ATTORNEY GENERAL ALSO SHALL INVITE, AS APPROPRIATE, THE **(F)** FOLLOWING REPRESENTATIVES OF FEDERAL AGENCIES TO SERVE ON THE 27**COUNCIL:** 2829THE DIRECTOR OF THE NATIONAL SECURITY AGENCY, OR THE (1) **DIRECTOR'S DESIGNEE;** 30

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$\frac{1}{2}$	(2) THE SECRETARY OF HOMELAND SECURITY, OR THE SECRETARY'S DESIGNEE;
$\frac{3}{4}$	(3) THE DIRECTOR OF THE DEFENSE INFORMATION SYSTEMS AGENCY, OR THE DIRECTOR'S DESIGNEE; AND
$5 \\ 6$	(4) THE DIRECTOR OF THE INTELLIGENCE ADVANCED RESEARCH PROJECTS ACTIVITY, OR THE DIRECTOR'S DESIGNEE; AND
7 8	(5) ANY OTHER FEDERAL AGENCY THAT THE ATTORNEY GENERAL DETERMINES APPROPRIATE.
9 10	(G) THE ATTORNEY GENERAL, OR THE ATTORNEY GENERAL'S DESIGNEE, SHALL CHAIR THE COUNCIL.
$\begin{array}{c} 11 \\ 12 \end{array}$	(H) THE UNIVERSITY OF MARYLAND, UNIVERSITY COLLEGE SHALL PROVIDE STAFF FOR THE COUNCIL.
13	(I) A MEMBER OF THE COUNCIL:
$\begin{array}{c} 14 \\ 15 \end{array}$	(1) MAY NOT RECEIVE COMPENSATION AS A MEMBER OF THE COUNCIL; BUT
$\begin{array}{c} 16 \\ 17 \end{array}$	(2) IS ENTITLED TO REIMBURSEMENT FOR EXPENSES UNDER THE STANDARD STATE TRAVEL REGULATIONS, AS PROVIDED IN THE STATE BUDGET.
18 19 20	(J) THE COUNCIL SHALL WORK WITH THE NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY AND OTHER FEDERAL AGENCIES, PRIVATE SECTOR BUSINESSES, AND PRIVATE CYBERSECURITY EXPERTS TO:
21 22 23 24	(1) FOR CRITICAL INFRASTRUCTURE NOT COVERED BY FEDERAL LAW OR THE EXECUTIVE ORDER, REVIEW AND CONDUCT RISK ASSESSMENTS TO DETERMINE WHICH LOCAL INFRASTRUCTURE SECTORS ARE AT THE GREATEST RISK OF CYBER ATTACKS AND NEED THE MOST ENHANCED CYBERSECURITY MEASURES;
25 26 27 28	(2) USE FEDERAL GUIDANCE TO IDENTIFY CATEGORIES OF CRITICAL INFRASTRUCTURE AS CRITICAL CYBER INFRASTRUCTURE IF CYBER DAMAGE OR UNAUTHORIZED CYBER ACCESS TO THE INFRASTRUCTURE COULD REASONABLY RESULT IN CATASTROPHIC CONSEQUENCES, INCLUDING:
29 30 31	(I) INTERRUPTION IN THE PROVISION OF ENERGY, WATER, TRANSPORTATION, EMERGENCY SERVICES, FOOD, OR OTHER LIFE–SUSTAINING SERVICES SUFFICIENT TO CAUSE A MASS CASUALTY EVENT OR MASS EVACUATIONS;

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1	(II) CATASTROPHIC ECONOMIC DAMAGE; OR
2	(III) SEVERE DEGRADATION OF STATE OR NATIONAL SECURITY;
$\frac{3}{4}$	(3) ASSIST INFRASTRUCTURE ENTITIES THAT ARE NOT COVERED BY THE EXECUTIVE ORDER IN COMPLYING WITH FEDERAL CYBERSECURITY GUIDANCE;
5 6 7 8	(4) ASSIST PRIVATE SECTOR CYBERSECURITY BUSINESSES IN ADOPTING, ADAPTING, AND IMPLEMENTING THE NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY CYBERSECURITY FRAMEWORK OF STANDARDS AND PRACTICES;
9 10	(5) EXAMINE INCONSISTENCIES BETWEEN STATE AND FEDERAL LAWS REGARDING CYBERSECURITY;
11 12 13	(6) RECOMMENDED A COMPREHENSIVE STATE STRATEGIC PLAN TO ENSURE A COORDINATED AND ADAPTABLE RESPONSE TO AND RECOVERY FROM CYBERSECURITY ATTACKS; AND
$\begin{array}{c} 14 \\ 15 \end{array}$	(7) RECOMMEND ANY LEGISLATIVE CHANGES CONSIDERED NECESSARY BY THE COUNCIL TO ADDRESS CYBERSECURITY ISSUES.
16 17 18	(K) BEGINNING JULY 1, 2017, AND EVERY 2 YEARS THEREAFTER, THE COUNCIL SHALL SUBMIT A REPORT OF ITS ACTIVITIES TO THE GENERAL ASSEMBLY IN ACCORDANCE WITH § 2–1246 OF THIS ARTICLE.
19 20 21 22	SECTION 2. AND BE IT FURTHER ENACTED, That, on or before July 1, 2016, the Maryland Cybersecurity Council established under Section 1 of this Act shall submit a report of its initial activities to the General Assembly in accordance with § 2–1246 of the State Government Article.
$\begin{array}{c} 23\\ 24 \end{array}$	SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2015.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.